



# Revision to ASR and/or Attachments

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CLERK OF THE BOARD  
ORANGE COUNTY  
BOARD OF SUPERVISORS

**Date:** September 9, 2019  
**To:** Clerk of the Board of Supervisors  
**CC:** County Executive Office  
**From:** County Counsel (John Wayne Airport ASR) *nmw for LGR*  
**Re:** ASR Control #:19-000935, Meeting Date September 10, 2019, Item No. # 18  
**Subject:** Authorize Request for Proposal for Fixed Base Operators

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## Explanation:

Additions to Attachments B, C, and D are being made to clarify the definition of "gross receipts."

Revised Recommended Action(s)

Make modifications to the:

Subject     Background Information     Summary     Financial Impact

Revised Attachments

Section 4.02 (Definition of Gross Receipts) of the Model Leases, Attachments B, C, D, shall be modified following the Board meeting to insert the sentence indicated below in redline:

### Section 4.02 DEFINITION OF GROSS RECEIPTS

As used in this section, the term "LESSEE" shall include LESSEE, its officers, directors, employees, agents, affiliates, assigns, successors, sublessees, licensees or any person acting under contract with LESSEE. The term "Gross Receipts" upon which Percentage Rent for Gross Receipts is to be calculated, shall include the following:

- A. The sale price of all goods, services, wares, and products sold, performed or traded on or from the Leased Premises by LESSEE, whether for cash or credit and whether payment is actually made or not;

- B. The charges made by LESSEE for the sale or rendition on or from the Leased Premises of services of any nature or kind whatsoever, whether for cash or credit and whether payment is actually made or not;
- C. All admission, entry, rental and other fees of any nature or kind charged by LESSEE including but not limited to deposits accepted by LESSEE; Attachment B  
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Northeast FBO Lease
- D. The fair rental value of facilities on the Leased Premises used by LESSEE or its employees for purposes other than the business purposes for which the Leased Premises are leased;
- E. The value of all consideration received by LESSEE including, without limitation, nonmonetary considerations, including trades, for the items sold, leased, rented or services rendered.

Gross Receipts subject to the five percent (5%) payment amount shall exclude revenue from tiedowns, sunshades, and T-hangars (but includes revenue from box hangars); Rent-a-Car Fees; Advertising Receipts; Fuel Flowage and Lubricant Fees; and all sales and excise taxes as defined by federal, State, county or municipal government tax codes, and that are paid by LESSEE as a direct result of operations under this Lease. Gross Receipts shall also exclude receipts payable to LESSEE in connection with charter operations and the sale of aircraft at the Airport; however, Gross Receipts shall include five percent (5%) of LESSEE's net profit from such operations or sales by LESSEE or its subtenants. Refunds for goods returned and deposits shall be deducted from current Gross Receipts upon return. Bad debt losses, including but not limited to NSF checks and uncollectible credit card charges, shall not be deducted from Gross Receipts.

Discounts including but not limited to allowances, deductions, rebates, trades, kickbacks, hidden credit, promotional sales, or any other reductions shall not be deducted from Gross Receipts.